



August 18, 2009

To Whom It May Concern

Name of Company: Arisawa Mfg. Co., Ltd.
Representative: President and Chief Executive Officer: Sanji Arisawa
(Code No.: 5208 Tokyo Stock Exchange, 1st Section)
Contact: Director & Senior Operating Officer: Tetsuro Iizuka
(TEL: 025-524-7101)

Announcement on subscription of the issuance of new shares via the third party allocation of ThinFlex Corporation (Gre Tai Securities Market (GTSM))

We hereby announce that our company made the following decision concerning the subscription of the issuance of new stock by the third party allocation of ThinFlex Corporation (hereinafter referred to as "ThinFlex", whose GTSM Code is 3144).

1. Reason for stock acquisition

In order to reinforce and expand our FPC business in the electronic material field, we will ensure production facilities in Taiwan and China and will expand our business base in Asia block.

2. Outline of ThinFlex, a subsidiary to be transferred

- (1) Name of Company: ThinFlex Corporation
(2) Company representative name: Chairman: C. H. Liu
(3) Address of the head office: No.8, Luke 2nd. Rd., Luzhu Shiang, Kaohsiung County, 821, Taiwan. (Kaohsiung Science Park)
(4) Date of foundation: June 2, 2000
(5) Description of business: Development, manufacture and sales of FPC materials, etc.
(6) Accounting period: December 31
(7) Employees: 166 (consolidated)
(8) Capital: NTD 690,913,960 (About 1.98 billion yen)
(9) Number of total outstanding shares: 69,091,396
(10) Relationship with our company: There is no commercial, no capital and no personal relationship.
(11) Performance trends of the latest business year (Unit: NTD Million)

	FY 2006	FY 2007	FY 2008
Net sales	638.2	676.8	692.5
Operating profit	21.3	Δ199.8	Δ300.7
Ordinary profit	42.1	Δ391.8	Δ554.9
Net profit	39.6	Δ411.8	Δ571.6
Total assets	1,991.4	1,937.6	1,308.8
Net assets	1,192.1	831.4	378.0

3. Details of the allocation of new shares to a third party

- (1) Number of new shares issued: 104,712,041
- (2) Issue price: NTD 3.82 per share
- (3) Total amount to be paid: NTD 400,000,000 (About 1.15 billion yen)
- (4) Due date of payment: December 30, 2009

4. Outline of the subscription of allocation of new shares to a third party

- (1) Number of subscribed shares: 78,726,000
- (2) Total amount to be paid: NTD 300,733,320 (About 860 million yen)
- (3) Number of shares held after acquisition: 78,726,000 (Acquisition percentage: 45.3%)

5. Earnings forecast and future prospects

The effects to be caused by this matter on our company are being assessed at this moment. We will announce the effects as soon as we finalize them.